III. REMARKS

Claims 1-3 and 5-11 remain pending. Applicants have amended claims 1 and 9. Claims 12-37 have been withdrawn. Applicants do not acquiesce in the correctness of the rejections and reserves the right to present specific arguments regarding any rejected claims not specifically addressed. Further, Applicant reserves the right to pursue the full scope of the subject matter of the claims in a subsequent patent application that claims priority to the instant application.

Claims 1, 2, 5, 6, 8, 10 and 11 have been rejected under 35 USC § 103(a) as being unpatentable over Blumberg (US Pat. 6,240,415), hereinafter "Blumberg", in view of Silverbrook et al. (US Pat. 6,317,192), hereinafter "Silverbrook". Applicants respectfully traverse this rejection.

Concerning independent claim 1, Applicants have amended claim 1 to recite "wherein the plurality of surveillance algorithms make a determination regarding a probability that inputted transactions are fraudulent." Support for this amendment is found on page 7, lines 7-11 of the specification. It is Applicants' belief that this amendment makes the Examiner's rejection of claims 1-3 and 5 moot as stated by the Examiner in paragraph 32 of the Office Action dated June 6, 2009.

Concerning independent claim 6, Applicants note the claim recites "analyzing inputted transactions for fraud with a surveillance algorithm within the SDPU." Applicants contend that this element is not shown in Blumberg.

The primary reference Blumberg discloses a computerized management for an interactive system (Abstract). Remote users input their votes for management of a sports team. The votes are entered into the database and an algorithm processes votes for a decision, and the most preferred choice is the one implemented (col. 10, line 20-col. 11, line 7). Exemplary Scenario 1

(col. 13, lines 8-22) has fans paying $1 for the right to participate in managing a team. The program uses inputs from the participants to determine salaries and bonuses (col. 13, lines 50-57).

Applicants submit that Blumberg fails to show "a plurality of surveillance algorithms stored in an encrypted database wherein the plurality of surveillance algorithms make a determination regarding a probability that inputted transactions are fraudulent; and a selection program for selecting at each of a sequence of random times a different surveillance algorithm to be used by the analysis system." The Office has cited col. 13, lines 37-49 in Blumberg as support for a plurality of surveillance algorithms. However, this passage in Blumberg explains that different algorithms and databases are used to establish probabilities and outcomes and consequences. Blumberg is using the input from the users and other statistical data to determine how a team is managed. These outcomes (salaries and bonuses) are based on the input of the fans or users (col. 13, lines 8-22). Thus, these algorithms do not make a determination as to the probability that a transaction is fraudulent. The independent claims of the present invention require "wherein the plurality of surveillance algorithms make a determination regarding a probability that inputted transactions are fraudulent" (claim 1) or "analyzing inputted transactions for fraud with a surveillance algorithm" (claim 6). Blumberg does not teach such an element. Thus, Blumberg fails to teach essential elements of the claimed invention and the rejection should be withdrawn.

The Office admits that Blumberg does not teach a tamper-resistant SDPU. The Office cites Silverbrook as teaching this feature. However, Silverbrook does not correct the deficiencies of Blumberg with respect to detecting fraud as explained above. Thus, this combination is defective, and the rejection should be withdrawn.

Claims 3 and 7-9 have been rejected under 35 USC § 103(a) as being unpatentable over Blumberg, in view of Silverbrook and further in view of Douceur et al. (US Pub. 2004/0060042), hereinafter "Douceur". Claim 9 has been amended to correct a misspelled word. Doeceur is cited by the Office to show a random selection and calculation of the correlation coefficient from the generated random values. The Office asserts that combining this with Blumberg and Silverbrook would yield Applicant's invention. Douceur does not correct the problem of the primary combination of Blumberg and Silverbrook.

Applicant respectfully submits that the application is in condition for allowance. If the Examiner believes that anything further is necessary to place the application in condition for allowance, the Examiner is requested to contact Applicants' undersigned representative at the telephone number listed below.

Respectfully submitted,

/Carl F. Ruoff/

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Carl F. Ruoff
Reg. No. 34,241

Hoffman Warnick LLC
75 State Street, 14th Floor
Albany, New York 12207
(518) 449-0044
(518) 449-0047 (fax)